

**Illinois Department of Revenue
Regulations**

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| Title 86 Part 460 Section 460.110 Privilege Tax Decals |
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**TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 460
COIN-OPERATED AMUSEMENT DEVICE AND REDEMPTION MACHINE TAX**

Section 460.110 Privilege Tax Decals

a) Obtaining Privilege Tax Decals

- 1) Every person, firm, limited liability company, or corporation displaying any taxable amusement device or redemption machine to be played or operated by the public at any place owned or leased by such person, firm, limited liability company, or corporation shall, before displaying the device or machine, file with the Department of Revenue a form containing information regarding each such device or machine. The form shall include the name and address of the person, firm, limited liability company, or corporation, a brief description of the device or machine to be displayed and the premises where such device or machine will be located. The applicant should answer all questions and give all the information required on the form. The information must be provided on a form prescribed by the Department.
- 2) The information form must be accompanied by the tax. A separate privilege tax decal must be obtained for each taxable unit.

b) Who May Obtain Privilege Tax Decals

The person who is required to apply for the privilege tax decal is the person who displays the taxable device or machine to be played or operated by the public at a place owned or leased by that person, regardless of whether that person is the owner of the machine or device. There is no exemption from the taxing requirements of the Act because of the fact that the operator of the coin-operated amusement device or redemption machine is a not-for-profit organization.

c) Issuance of Privilege Tax Decals —Transferability

- 1) Upon receipt of an information form in proper form, together with the applicable tax, the Department will issue a privilege tax decal to the applicant. The privilege tax decal must be securely affixed to the device or machine for which it is issued and must be conspicuously displayed. A privilege tax decal is transferable from one amusement device or redemption machine to another amusement device or

redemption machine operated by the same privilege tax decal holder from one address to or another address of a privilege tax decal holder, provided that the Department is promptly notified of such transfer on a transfer form which the Department will make available on request for this purpose.

- 2) However, no privilege tax decal is transferable from one person to another. For example, a privilege tax decal could not be transferred from one individual to another; from one partnership to another; from one corporation to another; from an individual to a partnership or to a corporation (even though the individual is one of the partners or owns the stock in the corporation); from a partnership to an individual or to a corporation (even though one of the partners is the individual or the partners own the stock in the corporation); or from a corporation to a partnership or to an individual. Each of these entities (i.e., each individual, each partnership and each corporation) is a different legal person. Similarly, a receiver, trustee in bankruptcy, administrator, executor, conservator or other legal representative appointed by a court is a different legal person from the person (or the person's estate) to whose assets such legal representative succeeds.

d) Penalties

- 1) *On every device and machine found to have been displayed without the tax imposed by the Act having been paid, the tax otherwise payable shall be increased by 30% as a penalty [35 ILCS 510/5]. Persons operating or displaying devices or machines in such a manner that they could be played without the tax imposed by the Act having first been paid, shall be guilty of a Class C misdemeanor [35 ILCS 510/8].*
- 2) Also, any coin-operated amusement device or redemption machine operated in a manner that violates any provision of the Act is subject to seizure and confiscation and forfeiture in accordance with the provisions of Sections 13 and 14 of the Act.

(Source: Amended at 28 Ill. Reg. 2284, effective January 22, 2004)